THE SUPPORTIVE HOUSING OPPORTUNITIES PLANNER (SHOP) TOOL: SETTING A PATH TO END CHRONIC HOMELESSNESS LOCALLY

The Administration is committed to achieving the goal of ending chronic homelessness as set in *Opening Doors: The Federal Strategic Plan to Prevent and End Homelessness.* Achieving this goal entails ensuring that communities have enough permanent supportive housing units available to serve people currently experiencing chronic homelessness and to prevent people with disabling conditions from becoming chronically homeless in the future.[1]

Shortfalls in the number of available permanent supportive housing nationally have forced us to move the national goal of ending chronic homelessness from 2015 to 2017. In addition, communities have not always ensured that supportive housing units prioritize people experiencing chronic homelessness. The President's 2016 Budget requests resources to increase the nation's inventory of permanent supportive housing by 25,500 units. Achieving the goal also requires communities to prioritize supportive housing units that naturally turnover to individuals experiencing chronic homelessness, and to reallocate existing funds where possible to increase permanent supportive housing.

Purpose of the Tool

A critical first step to ending chronic homelessness is to determine what specific combination of strategies are needed to increase the availability of permanent supportive housing locally, which depends on the local supply and availability of supportive housing. Some communities with a large supply of permanent supportive housing can make significant progress towards the goal by improving the targeting of existing units. Most communities will also need to create new supportive housing through both targeted grants (e.g. Continuum of Care Program funding) and mainstream resources (e.g. Housing Choice Vouchers and Medicaid and behavioral health funding).

The Supportive Housing Opportunities Planner (SHOP) tool is designed to help communities set a path to end chronic homelessness locally. Specifically, the SHOP tool helps communities identify the specific set of strategies—increasing the prioritization of existing units and new supportive housing creation—needed to achieve the goal in 2017 or earlier. For example, communities can use the tool to determine that they can achieve an end to chronic homelessness in 2017 by ensuring that 80% of their existing permanent supportive housing turnover units are prioritized to people experiencing chronic homelessness and by creating 50 new units of permanent supportive housing over the next three years. Another community may use the tool to determine that they can achieve the goal by prioritizing all of existing turnover units to individuals experiencing chronic homelessness without creating any new units.

Communities and Continuums of Care should familiarize themselves with the instructions below and then convene discussions with local stakeholders to collaborative review the tool. They can then work together to change the basic inputs in the plan—the percentage of turnover units that will be prioritized to chronic homelessness and the number of

---

[1] The *Opening Doors* goal to end chronic homelessness consists of ending homelessness among individuals experiencing chronic homelessness, including unaccompanied youth between the ages of 18 and 24. Consequently, the scope of the tool covers individuals experiencing chronic homelessness. Families experiencing chronic homelessness are included in the *Opening Doors* goal to end homelessness among families, youth, and children by 2020.

new units to be created—and observe the impact on the number of individuals experiencing chronic homelessness locally.

The SHOP tool intentionally simplifies the strategic decisions on how to end chronic homelessness locally into a few key variables. As such, the tool necessarily has some limitations. For example, the tool is based on Point-in-Time and Housing Inventory Count data provided to HUD by Continuums of Care, which may not be the most recent. In addition, because the tool is set at the CoC-level, it may not take into account the local geographic distribution of units. A Balance of State CoC, for example, may find that the tool indicates that the number of available turnover units is sufficient to achieve the goal, but should also recognize that these turnover units may not match where people experiencing chronic homelessness are located. It should also be noted that the tool is focused on ending chronic homelessness among individuals and does not encompass a community's need for supportive housing for other populations such as families, youth, or people exiting institutions.

USICH recommends that CoCs use this tool as a conversation starter and to help guide decisions around a local strategy to achieve an end to chronic homelessness. Once these broad decisions are made, communities must determine how to operationalize these decisions, including how to adopt policies to prioritize people experiencing chronic homelessness through coordinated entry systems or otherwise and how to create new units. They should refer to the following resources:

- The U.S. Department of Housing and Urban Development (HUD) has provided guidance to Continuums of Care (CoCs) and permanent supportive housing providers on how to adopt policies to prioritize people experiencing chronic homelessness: https://www.hudexchange.info/resources/documents/Notice-CPD-14-012-Prioritizing-Persons-Experiencing-Chronic-Homelessness-in-PSH-and-Recordkeeping-Requirements.pdf.
- USICH's Tools for Local Action webpage includes resources on how to build the permanent supportive housing pipeline: http://usich.gov/usich_resources/toolkits_for_local_action/permanent_supportive_housing/.

How to Use the SHOP Tool

The SHOP tool is a basic Excel spreadsheet presented with two sections. The left side of the tool lists the inputs (Fields A-J) while the right side lists impacts on the annual need and the number of individuals experiencing chronic homelessness housed from 2014 through 2017 (Fields 1-15). Below is field-by-field walkthrough of the input and impact sections.
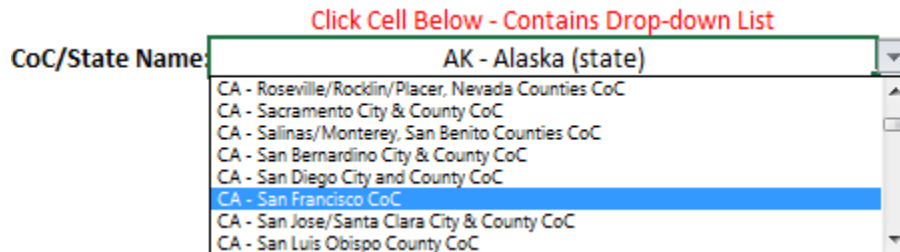
INPUT SECTION   **IMPACTS SECTION**

INPUTS		
A	182	= Individuals experiencing chronic homelessness (default: local 2014 Point-In-Time Count data)
B	30%	= Annualization factor (inflow/undercount)
C	548	= Total inventory of permanent supportive housing (PSH) units for households without children (default: local 2014 Housing Inventory Count data)
D	15%	= % of PSH units that turnover annually
E	0%	= % of PSH dedicated to chronic homelessness (default: local 2014 Housing Inventory Count data)
F	30%	= % of non-dedicated PSH prioritizing people experiencing chronic homelessness
G	0	= Newly created PSH units available in 2014
H	0	= Newly created PSH units available in 2015
I	0	= Newly created PSH units available in 2016
J	0	= Newly created PSH units available in 2017

IMPACTS			2014	2015	2016	2017
1	Number of individuals exp. chronic homelessness at beginning of year		182	211	254	312
2	Number newly entering or not counted in PIT		54	63	76	94
3	**Annual need**		236	275	330	406
4	Total available PSH inventory for households without children		548	548	548	548
5	PSH units dedicated to chronic homelessness	0%	-	-	-	-
6	Annual turnover of dedicated PSH units	15%	0	0	0	0
7	Total non-dedicated PSH for households without children		548	548	548	548
8	Annual turnover of non-dedicated PSH units	15%	82	70	59	50
9	Non-dedicated PSH units prioritized for chronic homelessness	30%	25	21	18	15
10	CH individuals housed through dedicated turnover PSH		-	-	-	-
11	CH individuals housed through prioritized turnover PSH		25	21	18	15
12	CH individuals housed through newly created PSH		-	-	-	-
13	**Total housed**		25	21	18	15
14	**Number of individuals exp. chronic homelessness at year-end**		211	254	312	391
15	Percent Change since 2014			20%	48%	85%

CoC/State Name

Begin by selecting a Continuum of Care or State using the drop down menu on the top left of the worksheet in Cell E3. The list is ordered alphabetically by State. This function will automatically populate the number of individuals experiencing chronic homelessness in the jurisdiction based on the 2014 PIT count in field A and the total inventory of permanent supportive housing (PSH) units for households without children in the jurisdictions based on the 2014 Housing Inventory Count in field C of the input section.

INPUTS Section Fields

Field A (Cell C7): **Individuals experiencing chronic homelessness**
Meaning: The total number of individuals experiencing chronic homelessness in 2014.
Default Value: The 2014 Point in Time (PIT) count on individuals experiencing chronic homelessness for the selected jurisdiction.
Override Option: A community can override the PIT count number with a number generated by other local data sources if it believes these data sources more accurately captures the number of individuals experiencing chronic homelessness (sheltered and unsheltered) at the beginning of 2014 (for example, by using local Homelessness Management Information System data). To restore the default value, click the "Reset" button found in cell N3.

Field B (Cell C9): **Annualization factor (inflow/undercount)**
Meaning: The estimated percent increase of the number of people experiencing chronic homelessness entered in Field A due to inflow (new people experiencing chronic homelessness entering the homeless assistance system) and undercount (people experiencing chronic homelessness who were not captured in the number in Field A).
Default Value: 30 percent, which represents the estimated average national inflow and undercount factor.
Override Option: Communities that have reliable inflow and undercount data can override this default. If the community has separate inflow and undercount percentages, it can add the two percentages together in this field.

Field C (Cell C11): **Total inventory of permanent supportive housing (PSH) units for households without children**
Meaning: The number of adult-only PSH units (not just limited to people experiencing chronic homelessness) that are either funded by the CoC program or another source.
Default Value: The jurisdiction's total number of adult-only PSH units, as reported in the 2014 Housing Inventory County (HIC).
Override Option: A community can override the default value if it has a more accurate number of adult individual-only PSH units available in the community to reflect additional projects not captured in the HIC or units no longer available due to unit closures or other factors. To restore the default value, click the "Reset" button found in cell N3.

Field D (Cell C13): **% of PSH units that turnover annually**
Meaning: The percentage of all adult-only PSH units (Field C) that turnover annually.
Default Value: 15 percent, which represents the average annual turnover rate nationally.

Override Option: The community can enter a percentage that it believes accurately reflects the annual turnover rate of its adult-only PSH units.

Additional Note: PSH units that become available due to turnover present an opportunity to house additional people experiencing chronic homelessness. Communities should strive to maximize positive exits – that is, exits that are at the tenant's choice and achievement of increased income or improvements in health, mental health, or substance use condition – while minimizing negative exits. Positive exits may be more likely and on a shorter timeframe for people living in permanent supportive housing who were not chronically homeless or did not have severe service needs at entry. To increase the rate of positive exits, communities and individual PSH projects can implement Moving Up approaches that help tenants obtain other affordable or independent housing. Providers can minimize negative exits by implementing a Housing First approach. On the project level, this means implementing screening practices that promote the acceptance of applicants regardless of their sobriety or use of substances, completion of treatment, and participation in services, as well as using services approaches that creatively engage tenants to anticipate and resolve their barriers to ongoing housing stability. For more information, see the *Implementing Housing First in Permanent Supportive Housing* fact sheet from USICH and SAMHSA.

Field E (Cell C15): **% of PSH Units Dedicated to Chronic Homelessness**

Meaning: The percentage of the community's PSH stock (listed in Field C) that is dedicated to persons experiencing chronic homelessness.

Default Value: The percentage of the number of units dedicated to chronic homelessness compared to the total inventory of adult-only PSH units, as reported in the 2014 Housing Inventory Count. A community should assess the impact that an increase in the number of dedicated units will have on its efforts to end chronic homelessness. Please note that in reporting their chronic homeless unit inventory, CoCs are required to include all PSHunits dedicated to house people experiencing chronic homelessness, including families experiencing chronic homelessness. The default percentage of dedicated PSH units in this field may thus not be completely accurate, as it based on the number of dedicated units to all people experiencing chronic homelessness divided by adult-only PSH units.

Additional Note: Communities are encouraged to increase the number of PSH units that are dedicated to persons experiencing chronic homelessness. Dedicated CoC Program-funded units are required through the project's grant agreement to only be used to house persons experiencing chronic homelessness. Under the grant agreement, when a unit becomes vacant, it must be used to house a person experiencing chronic homelessness unless there are no persons within the CoC that meet that criteria. In addition, a community may choose to similarly target non-CoC funded units to only serve persons experiencing chronic homelessness.

Field F (Cell C17): **% of Non-Dedicated PSH units Prioritizing People Experiencing Chronic Homelessness**

Meaning: The percentage of all adult-only PSH units (in Field C) that prioritize people experiencing chronic homelessness.

Default Value: 30 percent.

What to Enter: This field contains a drop-box with options of 30%, 50%, 80%, and 100% prioritization rates of non-dedicated units. A value other than these pre-set values may also be entered. Communities should examine the impact that higher rates of prioritization will have on their efforts to end chronic homelessness.

Additional Note: Prioritizing non-dedicated PSH units for use by persons experiencing chronic homelessness is a significant way to increase progress towards ending chronic homelessness. A CoC or PSH owner can prioritize a unit by implementing an admissions preference for persons experiencing homelessness.

CoCs were asked to commit to prioritizing a certain percentage of persons experiencing homelessness in CoC-funded non-dedicated PSH units in the FY 2014- FY 2014 Program Competition. In addition, all recipients of CoC Program-funded PSH units are encouraged to prioritize units for persons experiencing homelessness as they become vacant to the maximum extent practicable. Communities should use a similar admissions preference for units that are not funded by the CoC to increase the percentage of units that are prioritized to people experiencing homelessness.

Field G, H, I, and J (Cells C19, C21, C23, and C25): **Newly created PSH units available in 2014, 2015, 2016, and 2017**
Meaning: The number of newly created PSH units (funded through the CoC program and all other sources) that serve people experiencing chronic homelessness starting in 2014, 2015, 2016, and 2017, respectively.
Default Value: 0 for each year.
How to Use: Communities should enter the number of projected additional units that are available to serve people experiencing chronic homelessness in each of 2014, 2015, 2016, and 2017. Both CoC-funded and units funded by other sources should be included, as well as both non-dedicated and dedicated units. Communities should subtract any known or projected unit closures in these fields. Communities are encouraged to assess the number of newly created PSH units necessary to end chronic homelessness by 2016 or by the national goal year of 2017.

IMPACTS Section
Below is an overview of the fields in the impacts section.

Field 1: Number of Individuals Experiencing Chronic Homelessness at the Beginning of the Year (Cells V7 – Y7)
The number of individuals experiencing chronic homelessness at the beginning of each year.

Field 2: Number newly entering or not counted in PIT (Cells V8 – Y8)
The projected number of individuals who are newly experiencing chronic homelessness (inflow) or who were not counted in the PIT count (or other data source as provided in Field A), based on the annualization factor entered in Field B in the Input Section.

Field 3: Annual Need (Cells V9 – Y9)
The estimated number of individuals experiencing chronic homelessness based on the PIT count (or other data source as provided in Field A) and the inflow/undercount in Field 1.

Field 4: Total available PSH inventory for households without children (Cells V11 – Y11)
The total adult-only PSH inventory captured in Field C in addition to the newly created PSH units available in 2014, 2015, 2016, and 2017 (as captured in Fields G, H, I, and J).

Field 5: PSH units dedicated to chronic homelessness (Cells V12 – Y12)
The total number of units dedicated to people experiencing chronic homelessness as determined by the percentage of all PSH units entered in Field E. While a community is encouraged to increase the number of dedicated units over time, this line does not capture newly created dedicated units available in 2014, 2015, 2016, or 2017.

Field 6: Annual Turnover of dedicated PSH units (Cells V13 – Y13)
The number of dedicated turnover units based on the percentage entered in Field D. This field does not capture newly created or prioritized units that turnover between 2014 and 2017.

Field 7: Total non-dedicated PSH for households without children (Cells V15 – Y15)
The total number of PSH units that are not dedicated to people experiencing chronic homelessness. Because this tool does not capture new units that become dedicated, a community may have additional dedicated units, and therefore fewer non-dedicated units, than listed in this field.

Field 8: Annual turnover of non-dedicated PSH (Cells V16 – Y16)
The number of non-dedicated turnover units based on the percentage entered in Field D. A built-in assumption is that newly created units or prioritized units will not turnover between 2014 and 2017.

Field 9: Non-dedicated PSH units prioritized for chronic homelessness (Cells V17 – Y17)
The estimated number of units that will be prioritized for people experiencing chronic homelessness, based on the turnover rate entered in Field D. A built-in assumption is that prioritized units will house persons experiencing homelessness and that these newly prioritized units will not turnover between 2014 and 2017.

Field 10: CH individuals housed through dedicated turnover PSH (Cells V19 – Y19)
The estimated number of individuals experiencing chronic homelessness housed each year, based on the number of dedicated PSH units that turnover each year (Field 6). Note that newly created units available in 2014, 2015, 2016, or 2017 that are dedicated subsequently turnover are not included in this field.

Field 11: CH individuals housed through prioritized turnover PSH (Cells V20 – Y20)
The estimated number of individuals experiencing chronic homelessness housed each year based on the number of prioritized turnover PSH units (Field 8).

Field 12: CH individuals housed through newly created PSH (Cells V21 – Y21)
The estimated number of individuals housed through newly created PSH units made available in 2014, 2015, 2016, and 2017, as listed in Fields G, H,I, and J, respectively, of the Input Section.

Field 13: Total housed (Cells V22 – Y22)
The sum of all individuals housed through dedicated turnover PSH, prioritized turnover PSH, and newly created PSH (Fields 10 through 12).

Field 14: Number of individuals exp. chronic homelessness at year-end (Cells V24-V25 – Y24-Y25)
The total number of individuals housed (Field 13) subtracted from the estimated annual need (Field 3). Communities with a goal to end chronic homelessness by 2016 should assess the impact of the inputs on the estimated number of individuals experiencing chronic homelessness in 2016.

Field 15: Percent Change since 2014 (Cells V26 – Y26)
The estimated percent change in the number of individuals experiencing chronic homelessness for each year from 2015 through 2017 since 2014. Communities with a goal to end chronic homelessness by 2016 should assess the impact of the inputs on the estimated percent change between 2014 and 2016.